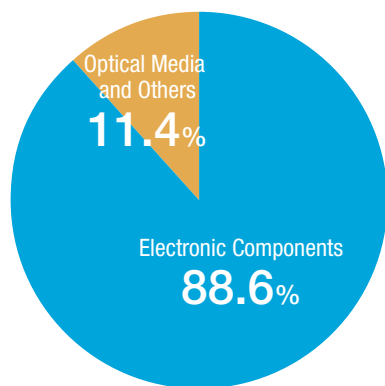


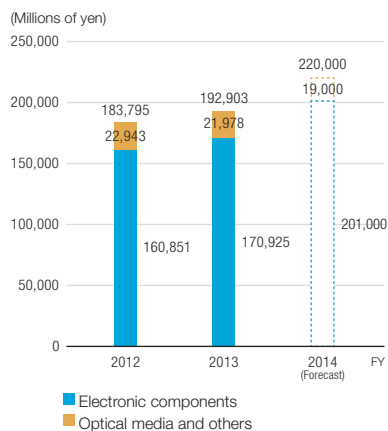
At a Glance

Net sales by business segment

2013



Net sales by business segment



Overview of Results

In the electronics industry during the year ended March 2013, demand grew for smartphones and tablet devices. In contrast to this, the market continued to be sluggish centered on PCs and TVs. As a result, demand for electronic components was weak.

Under these harsh conditions, the TAIYO YUDEN Group worked to achieve the targets of its medium-term management plan. We moved ahead with our structural improvement measures, including shifting the production of capacitors and inductors offshore from Japan to other countries, and worked to expand sales of super high-end products. In conjunction with these and other growth strategies, we implemented profit improvement measures. As a result, consolidated net sales for the year ended March 2013 rose 5.0% compared with the previous fiscal year to ¥192,903 million. Operating income improved to ¥4,993 million from an operating loss of ¥8,010 million for the previous fiscal year.

Overview by Business Segment

Electronic Components

The Electronic Components business manufactures and sells capacitors, inductors, SAW/FBAR devices for mobile communications, energy devices and other electronic components.

In the year ended March 2013, the electronics industry saw continued growth from the smartphone and tablet device markets. In contrast to this, the PC and television markets remain sluggish. Overall this has caused weaker demand for electronic components.

The TAIYO YUDEN Group has implemented a series of structural reforms that are measures management believes will improve operations and foster growth needed to achieve the targets established for the year ending March 2015, which is the final year of our medium-term management plan. The measures implemented to improve operations

include the process of shifting the production of capacitors and inductors offshore from Japan to other countries, which is consistent with efforts to maximize the use of its overseas production sites. Our growth strategies include the expansion of sales and the emphasis on super high-end products, including capacitors, inductors, and SAW/FBAR devices for mobile communications.

As a result, consolidated sales in this segment rose 6.3% year over year to ¥170,925 million, and operating income amounted to ¥5,217 million, compared to an operating loss of ¥6,689 million for the previous fiscal year.

<Sales of Electronic Components by Market Sector>

The breakdown for sales of electronic components by market sector comprised 20% for consumer products, 20% for information equipment, 34% for communication equipment, 21% for components, and 5% for others.

Sales for consumer products declined 4% year over year due to the slump in demand for televisions and other products, but sales for communication equipment increased 15% year over year due to the expansion of the smartphone market. As a result, sales in this segment rose significantly year over year.

Optical Media and Others

The Optical Media and Others business manufactures and sells optical media products and engages in other businesses.

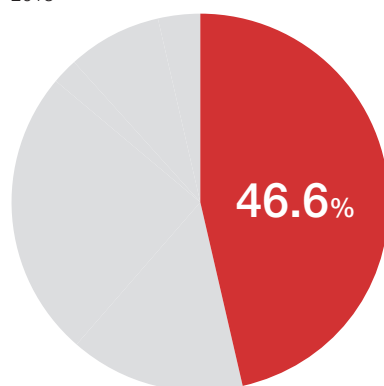
In the year ended March 2013, the TAIYO YUDEN Group continued with initiatives aimed at returning the optical media products business back to profitability.

As a result, although consolidated sales in this segment declined 4.2% year over year to ¥21,978 million, the operating loss amounted to ¥224 million, an improvement of ¥1,096 million from the previous fiscal year's operating loss.

ELECTRONIC COMPONENTS CAPACITORS

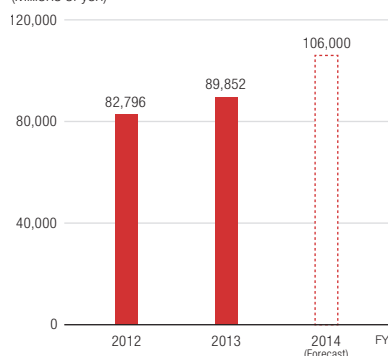
Net sales breakdown by product segment

2013



Segment sales

(Millions of yen)



Medium-term Management Plan Targets

(From FYE March 2013 to 2015)

- Achieve a 10% or higher operating margin
- Capture the top market share of 50% or higher for the super high-end product market

Business Overview

The Capacitors Business is the TAIYO YUDEN Group's core business. Since its founding, the Group has been engaged in development and production in this business, which currently represents about half of the Group's consolidated net sales. In recent years, the Group has proactively shifted to super high-end products in an effort to develop and produce high-quality capacitor products.

Business Performance in the Year Ended March 2013

Sales were ¥89,852 million, an increase of 8.5% year-over-year. Product sales for consumer products, i.e. televisions, were lower as compared to the previous fiscal year. This was offset by the increase in sales for communication equipment, which focused on smartphones, and electronic components, i.e. LCD panels.

Key Initiatives in the Year Ended March 2013

In multilayer ceramic capacitors, the TAIYO YUDEN Group continued its efforts from the previous fiscal year to improve its dielectric materials technology, thin-film and high capacity technology, and miniaturization capabilities. Furthermore, our multi-layering technology is approaching a 1000-layer capability, allowing the Group to successfully introduce and mass produce new capacitor products in the EIA1206 size (3.2 mm x 1.6 mm) and EIA1210 size (3.2 mm x 2.5 mm) range, both with a high capacitance of 220 μ F. We applied these technologies and began mass production

of an EIA0201 size (0.6 mm x 0.3 mm) product with capacitance of 2.2 μ F, EIA0402 size (1.0 mm x 0.5 mm) 22 μ F and an EIA0603 size (1.6 mm x 0.8 mm) product with capacitance of 47 μ F. In addition, preparations are now under way to commence mass production of EIA01005 size (0.4 mm x 0.2 mm) with capacitance of 0.22 μ F.

Initiatives Ahead

The TAIYO YUDEN Group is putting a framework in place for addressing growing product categories like smartphones and tablet devices in step with expanding demand. To this end, the Group is enhancing super high-end products such as small, high-capacitance multilayer ceramic capacitors, as well as low-profile multilayer ceramic capacitors.

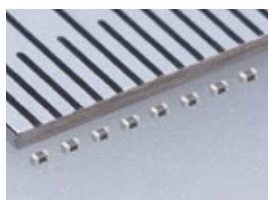
By accelerating overseas expansion of high-end products which are made in Japan, the Group will work to optimize the use of overseas production facilities, while striving to achieve high production efficiency at all production facilities worldwide.

Furthermore, the Group will vigorously enter new fields without restricting itself to existing business domains. Particular emphasis will be put on enhancing product lineups for high-quality product markets such as the industrial equipment, automotive and healthcare industries.

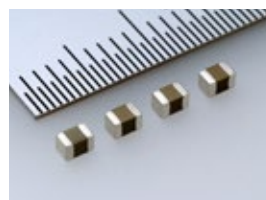
In the high capacitance zone above 100 μ F, we aim for further growth by promoting expansion in the multilayer ceramic capacitor market by aggressively developing our position in the electrolytic capacitor market.

Main Products

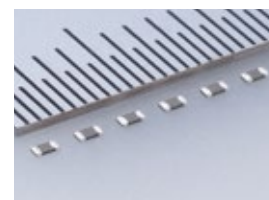
Multilayer ceramic capacitors



EIA01005 size (0.4 mm x 0.2 mm) ultra-small multilayer ceramic capacitors



EIA0805 size (2.0 mm x 1.25 mm) small high-capacitance multilayer ceramic capacitors

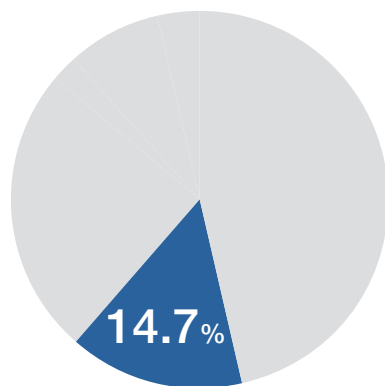


EIA0402 size (1.0 mm x 0.5 mm) 0.22 mm thickness low profile multilayer ceramic capacitors

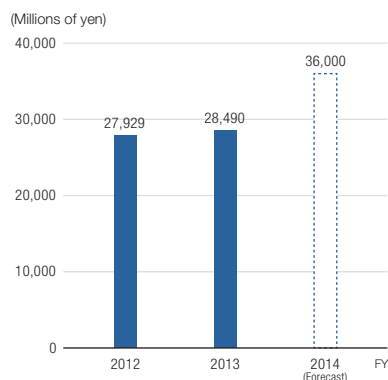
ELECTRONIC COMPONENTS FERRITE AND APPLIED PRODUCTS

Net sales breakdown by product segment

2013



Segment sales



Medium-term Management Plan Targets

(From FYE March 2013 to 2015)

- Achieve a 10% or higher operating margin
- Double power inductor sales (FYE March 2012 → FYE March 2015)
- Capture the No. 1 share of the market for metal power inductors, with a 50% or higher share
- Capture the No. 1 share of the market for High-Q high-frequency inductors

Business Overview

Since its pioneering early years, TAIYO YUDEN has been engaged in development and production in the ferrite and applied products business. In recent years, in addition to conventional products using ferrite materials, the TAIYO YUDEN Group has expanded the metal power inductor MCOIL™ line of products using new metallic magnetic materials.

Business Performance in the Year Ended March 2013

Sales were ¥28,490 million, an increase of 2.0% year-over-year. Sales for consumer product and electronic components were lower as compared to the previous fiscal year. However, this was offset by the increase in sales for information equipment, i.e. PCs and communication equipment.

Key Initiatives in the Year Ended March 2013

High-frequency multilayer inductors are used in the high-frequency circuits of mobile devices, which have seen continuing rapid market expansion. In this field, the TAIYO YUDEN Group developed and commercialized EIA0201 size (0.6 mm × 0.3 mm) and EIA01005 size (0.4 mm × 0.2 mm) products, the industry's highest level of Q factor.

To address stronger market demand for miniaturized, large current inductors, the Group commenced mass production of the metal power inductor MCOIL™ using metallic magnetic materials. It launched EIA0806 size (2.0 mm × 1.6 mm) and EIA1008 size (2.5 mm × 2.0 mm) products, in addition to 1.6 mm by 4.0 mm square size products. Another initiative was to commence mass production of products with a thin 1.0 mm profile.

Initiatives Ahead

In multilayer chip inductors and wire-wound inductors, the Group has acted speedily on the development of super high-end products that respond precisely to customer needs.

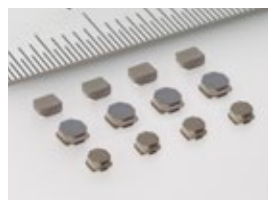
Another priority is to enhance the metal power inductor MCOIL™ line, for which mass production has begun. Here, the Group will focus on launching these products in strategic markets while expanding production capacity.

The Group will expand its lineup of high-frequency multilayer chip inductors and multilayer chip beads, with extremely small EIA01005 size (0.4 mm × 0.2 mm) products.

Furthermore, we will endeavor to optimize the use of production facilities overseas and achieve the highest possible production efficiencies.

Main Products

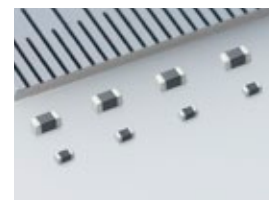
Multilayer/wire-wound chip inductors, ferrite chip beads and common mode choke coils



Metal power inductor
"MCOIL™"



High-frequency multilayer
chip beads inductors

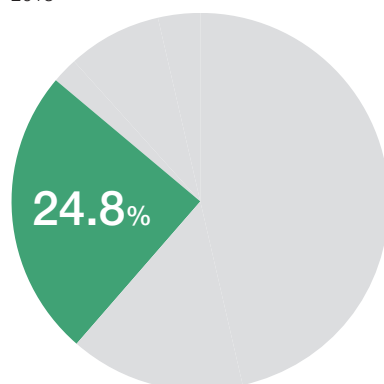


Multilayer chip beads
inductors

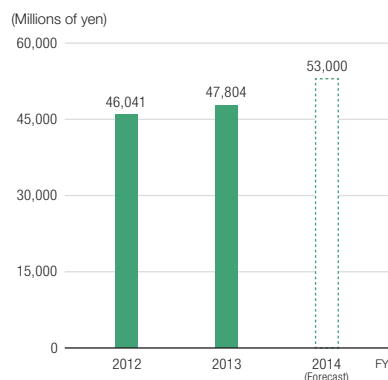
ELECTRONIC COMPONENTS INTEGRATED MODULES & DEVICES

Net sales breakdown by product segment

2013



Segment sales



Medium-term Management Plan Targets

(From FYE March 2013 to 2015)

- Achieve a 5% or higher operating margin
- Double communication device sales (FYE March 2012 → FYE March 2015)

Business Overview

In the past few years, the TAIYO YUDEN Group has been working to transform its business focus from the module business to an integrated modules & devices business. We are focusing particularly on enhancing our position in the communication device and energy-related fields.

Business Performance in the Year Ended March 2013

Sales in the Integrated Modules & Devices business rose 3.8% year over year to ¥47,804 million. Sales of power supply and high frequency modules were lower as compared to the previous fiscal year. This was offset by the increase in sales of SAW/FBAR devices for mobile communications.

Key Initiatives in the Year Ended March 2013

In SAW/FBAR devices for mobile communications, technology has become a key element in the devices that support the smartphone market, and the TAIYO YUDEN Group is working hard to develop products in this segment. We are making proposals for miniaturized, low energy-consumption filter devices that support LTE, and front-end modules with value-added integrated circuits. The Group is also focusing its efforts on developing products that use FBAR technology to

support more highly functional devices.

The Group worked to develop multifunctional modules that have superior compactness, a low profile and high efficiency, in order to address growing power conservation needs.

With regard to wireless communication modules, the Group also concentrated on developing and commercializing combination modules that enable the same module to be compatible with different communications standards such as Bluetooth® and wireless LAN. The Group also made new proposals to the communications market, including the healthcare and other fields.

Initiatives Ahead

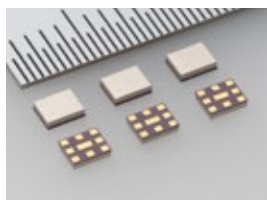
The Group is developing a high frequency module business centered on SAW/FBAR technology, while building a production base in response to rising demand from the growing smartphone and tablet device markets, where we see an increasing need for a greater number of embedded SAW/FBAR devices per product.

The Group is also aggressively targeting the market for super high-end components with products such as the EOMIN™ embedded-parts multilayer wiring substrate ("component-on-chip").

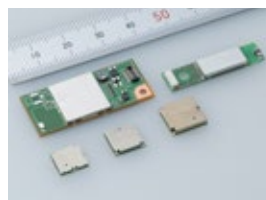
Furthermore, the Group is strengthening the power supply business with recovery systems and other products for the energy market.

Main Products

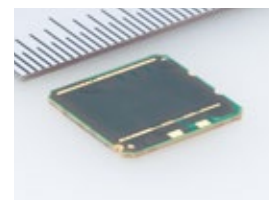
SAW/FBAR devices for mobile communications, power supply modules, high frequency modules and embedded parts multilayer wiring substrate



SAW/FBAR devices for mobile communications



High frequency modules

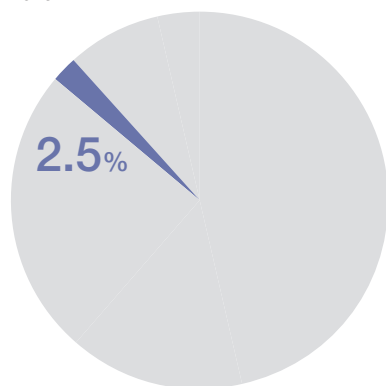


Embedded-parts multilayer wiring substrate EOMIN™

ELECTRONIC COMPONENTS OTHER ELECTRONIC COMPONENTS

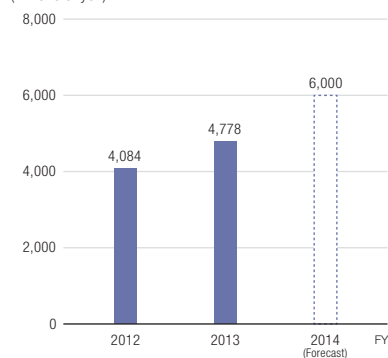
Net sales breakdown by product segment

2013



Segment sales

(Millions of yen)



Business Overview

To establish a foothold in the energy device field, TAIYO YUDEN converted Shoei Electronics Co., Ltd. (present TAIYO YUDEN ENERGY DEVICE CO., LTD.) into a subsidiary in 2007. By combining this company's capacitor technology with TAIYO YUDEN's various elemental technologies cultivated over the years, TAIYO YUDEN is working to enhance its presence in the energy device field.

Business Performance in the Year Ended March 2013

In the year ended March 2013, net sales rose 17.0% year over year to ¥4,778 million.

Key Initiatives in the Year Ended March 2013

Polyacene capacitors are mainly used as backup power supplies for smartphones and digital still cameras. In this field, the Group increased production of square-type polyacene capacitors. The Group also pressed ahead with low-temperature polyacene capacitors for smart meters.

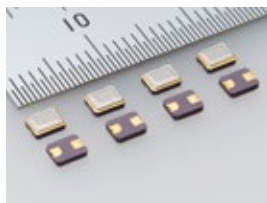
The Group is also working to increase the capacitance and energy density of cylinder-type lithium ion capacitors.

Initiatives Ahead

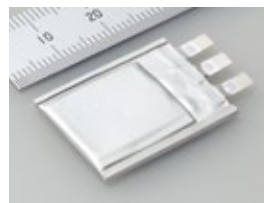
While conducting product development, the Group is working to develop applications in cutting-edge technology fields, and to expand sales in the energy field. The Group is focusing particularly on enhancing products for backup power supplies for devices used in centralized meter reading systems and smart meters.

Main Products

Energy devices (polyacene capacitors and lithium ion capacitors)



Square-type polyacene capacitors



Thin-type polyacene capacitors



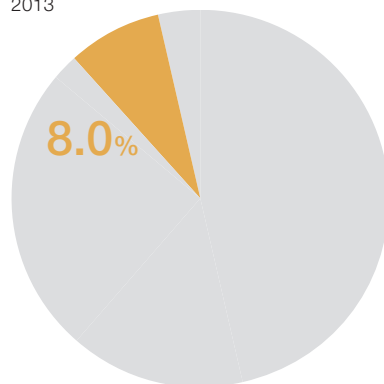
Cylinder type lithium ion capacitors

OPTICAL MEDIA AND OTHERS

OPTICAL MEDIA PRODUCTS

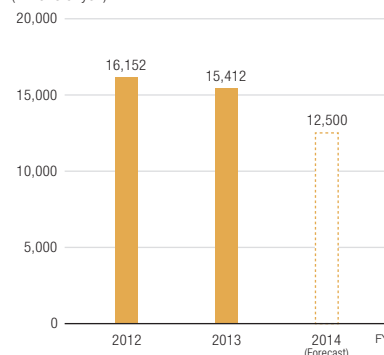
Net sales breakdown by product segment

2013



Segment sales

(Millions of yen)



Business Overview

Ever since developing the world's first CD-R in 1988, the TAIYO YUDEN Group has worked to develop and produce DVD-Rs and BD-Rs. Currently, our main target in this business is the market for archiving applications.

Business Performance in the Year Ended March 2013

Net sales were down 4.6% year over year to ¥15,412 million, due to a decline in sales of CD-Rs and DVD-Rs/DVD+Rs.

Key Initiatives in the Year Ended March 2013

In response to mounting demand for long-term optical storage devices (for archiving purposes), the Group continued with efforts to develop high-quality products for various types of recording format, such as CD-R, DVD-R and BD-R.

Initiatives Ahead

In step with contraction in consumer markets, the Group will optimize the size of its production base and the Group will work to transform its business model to ensure steady earnings. This will be achieved by focusing on cultivating the market for archiving applications, where the Group can exploit its strengths by supplying high quality products.

Main Products

CD-Rs, DVD-Rs/DVD+Rs, BD-Rs



DVD-R, BD-R, CD-R

OPTICAL MEDIA AND OTHERS

OTHERS

Business Performance in the Year Ended March 2013

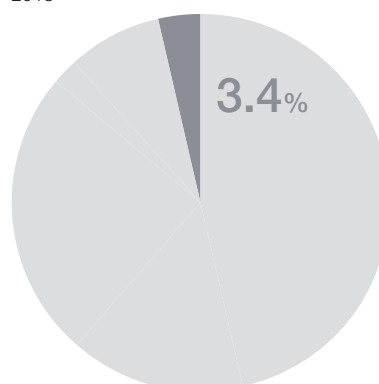
For the year ended March 2013, sales were ¥6,565 million, down 3.3% from the previous fiscal year.

Main Business

Circuit design and mounting business at a subsidiary.

Net sales breakdown by product segment

2013



Segment sales

(Millions of yen)

